

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING**

June 22, 2005
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Elaine Scruggs, Glendale, Chair
* Councilmember Peggy Bilsten, Phoenix,
Vice Chair
Kirk Adams, The Adams Agency
F. Rockne Arnett, Citizens Transportation
Oversight Committee
+ Mayor Ron Badowski, Wickenburg
Stephen Beard, SR Beard & Associates
Mayor Steven Berman, Gilbert
* Dave Berry, Swift Transportation
* Jed S. Billings, FNF Construction
Mayor James Cavanaugh, Goodyear
Vice Mayor Pat Dennis, Peoria
Mayor Ron Drake, Avondale

* Mayor Boyd Dunn, Chandler
Rusty Gant, ADOT
Mayor Hugh Hallman, Tempe
Mayor Keno Hawker, Mesa
Eneas Kane, DMB Associates
Mayor Mary Manross, Scottsdale
* Jacob Moore, Salt River Pima-Maricopa Indian
Community
David Scholl, Westcor
* Councilmember Daniel Schweiker,
Paradise Valley
Supervisor Max W. Wilson, Maricopa County
Mayor J. Woodfin Thomas, Litchfield Park

* Not present
Participated by telephone conference call
+ Participated by videoconference call

1. **Call to Order**

The meeting of the Transportation Policy Committee (TPC) was called to order by Chair Elaine Scruggs at 4:10 p.m.

2. **Pledge of Allegiance**

The Pledge of Allegiance was recited.

Chair Scruggs announced that Vice Mayor Pat Dennis and Kirk Adams were participating via telephone conference call and Mayor Ron Badowski was participating via videoconference call. Chair Scruggs stated that transit tickets for those who used transit to attend the meeting and parking garage ticket validation were available from MAG staff. Chair Scruggs noted materials that for agenda items #4B, #4C, and #6, revised summary transmittals that reflected public comment and actions taken at the Management Committee meeting were at each place. Chair Scruggs noted that mugs for members, courtesy of DMB Properties, were at each place. The mugs were dedicated to the hard work of the TPC and say, "Build the Plan and Declare Victory."

3. Call to the Audience

Chair Scruggs stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. She noted that an opportunity is provided to comment on agenda items posted for action at the time the item is heard.

Chair Scruggs recognized public comment from George Davis, who extended his compliments to the Transportation Policy Committee for undertaking the task at hand. Mr. Davis stated that Bell Road is perhaps the most congested road in the County. He requested that the TPC consider improving other east/west arterials, such as Jomax, Happy Valley, and Olive, as through-streets to alleviate Bell Road's traffic problems. Mr. Davis thanked the TPC for the opportunity to speak. Chair Scruggs thanked Mr. Davis for his comments. She requested that staff review the approved RTP arterial projects with Mr. Davis.

Chair Scruggs recognized public comment from William 'Blue' Crowley, who said that he appreciated the efforts of the feds for the public to be part of the involvement in transportation planning. Mr. Crowley stated that the MAG Air Quality Technical Advisory Committee had a meeting on June 23. In the agenda packet was a 50 page document explaining how CMAQ funding and methodology are done and he would speak on agenda item #4B later. Mr. Crowley mentioned a point of clarification that the tunnel in agenda item #4C is over, not under. Mr. Crowley requested that MAG be more proactive. It is a failure when only four citizens attended the public hearing. Mr. Crowley urged being more multimodal. When roads are updated, constructed, or maintained bus, bike, and transit should be done at the same time. Chair Scruggs thanked Mr. Crowley for his comments.

4. Approval of Consent Agenda

Chair Scruggs recognized public comment from Mr. Crowley, who commented on projects submitted for agenda item #4B. He asked why CMAQ funds were being requested for closed circuit cameras for the Glendale sports facility and upgrades to those already on the freeways. Mr. Crowley questioned where the bike, transit, and pedestrian accommodations were on the arterial projects. He commented that private industry was going to do bikes. Mr. Crowley stated that the region is in the seventh or eighth day of violations for ozone and might go to serious. He noted that this is in addition to the particulate problem. Mr. Crowley spoke about heat being a factor with ozone. He commented on the amounts of money allocated to light rail stations, but where is the money for bus stops? Chair Scruggs thanked Mr. Crowley for his comments.

Chair Scruggs stated that any member of the committee can request that an item be removed from the consent agenda and considered individually. Chair Scruggs stated that agenda items #4A, #4B, and #4C were on the consent agenda. Chair Scruggs asked members if there were any questions on the consent agenda items. No comments were noted.

With no further discussion on the consent agenda, Chair Scruggs called for a motion. Mayor Thomas moved to approve consent agenda items #4A, #4B, and #4C. Mayor Drake seconded, and the motion carried, with Mr. Beard abstaining. Mr. Beard explained that he abstained from the vote because his firm was involved in the Central Phoenix/East Valley light rail project that would receive funds.

4A. Approval of May 18, 2005 Meeting Minutes

The Transportation Policy Committee, by consent, approved the May 18, 2005 meeting minutes.

4B. Federal Fiscal Year 2005 MAG Federal Funds Interim Closeout and Amendment/Adjustments to the FY 2004-2007 MAG Transportation Improvement Program

The Transportation Policy Committee, by consent, recommended approving the interim closeout of Federal FY 2005, as shown in the attached Tables and recommended amending/adjusting the FY 2004-2007 MAG TIP to allow the projects to proceed. In this phase of the closeout process, approximately \$18.5 million is available for the interim closeout, plus a possible \$1.5 million in redistributed Obligation Authority. Approximately \$58 million in project requests have been received for the funds available. On March 24, 2005, the Transportation Review Committee (TRC) recommended allowing 15 projects, totaling \$12.96 million, to defer from FFY 2005 to later years. This is in addition to \$4.6 million in uncommitted funds. To utilize the available funds, on May 26, 2005, the TRC recommended 26 projects, totaling \$20 million, plus an additional \$5,598,825 in contingency projects if any further funds become available or if any projects unexpectedly drop out. The Management Committee recommended the same 26 projects, totaling \$20 million, but increased the list of contingency projects from five to seven and from \$5,598,825 to \$6,447,525.

4C. Amendment to the FY 2004-2007 MAG Transportation Improvement Program to Add a Phoenix Federally Funded Bridge Replacement and Rehabilitation Project and a Glendale Hazard Elimination Safety (STP-HES) Project for FY 2005

The Transportation Policy Committee, by consent, recommended approval of an amendment to the FY 2004-2007 MAG Transportation Improvement Program to add a bridge replacement and rehabilitation funded project at 19th Avenue at the Grand Canal in Phoenix and a safety improvement project to the intersection of 51st and Northern Avenues in Glendale to FY 2005. Following approval of the FY 2004-2007 MAG TIP on November 25, 2003, some projects have been identified that need to be added to the TIP to allow them to proceed during the current fiscal year. A bridge over the Grand Canal at 19th Avenue in the City of Phoenix has been awarded Bridge Replacement and Rehabilitation (BR) funds, and the City of Glendale has received STP-HES funds for making improvements to the intersection of 51st and Northern Avenues. A TIP Amendment is needed to allow these projects to proceed, but both projects would be regarded as exempt for which an air quality conformity analysis is not required. The Transportation Review Committee recommended approval of a TIP Amendment to add the BR funded project in Phoenix and the Safety funded project in Glendale. The Management Committee recommended approval of the TIP Amendment.

5. Draft of the Arterial Life Cycle Program Policies and Procedures

Chair Scruggs recognized public comment from Mr. Crowley, who expressed his satisfaction with the manner in which the TPC has reviewed the draft policies and procedures. Chair Scruggs thanked Mr. Crowley for his comments.

Eric Anderson noted that a summary of changes made to the draft policies and procedures since the May TPC meeting was included in the agenda packet. Mr. Anderson stated that the TPC could review the changes one by one or he could answer questions. The TPC agreed to address individual questions.

Mayor Hawker commented on projects that receive federal money and have a 30 percent match from Proposition 400 funds. He stated that the TPC had discussed the issue that some federally funded projects might have added costs relevant to federal requirements. He remarked that discussion revealed that it would be difficult to break this down, but a process is needed to equalize the costs. Mayor Hawker stated that the policies and procedures somehow need to acknowledge the burden of taking federal funds. Chair Scruggs asked Mayor Hawker if this should be on the list of the items to be addressed. Mayor Hawker stated that he thought it should not be listed under Section 120(C)(3), but needed to be recognized.

Mr. Anderson stated that solutions to this issue were discussed extensively. He then presented different approaches to addressing the issue. 1) Ensure allocation of federal funds to larger projects because they have to go through the federal process anyway, i.e., bridge projects. 2) Using sales tax funds on smaller projects, such as intersections, could relieve some of the burden. 3) Try to ensure one jurisdiction will not have all federally funded projects. 4) Increase the regional project budget to compensate for the additional expense incurred. Mr. Anderson stated that #4 is not a preferable option because the fiscal impact to the program is unknown. Also, we might not be able to stop the process once begun. Mr. Anderson stated that staff will continue to work on this issue for an equitable distribution of projects so that communities have a balance between federal and non-federal projects. If it remains an issue, it could come back to the TPC for resolution.

Mayor Thomas asked for clarification if an EIS would be conducted on all projects. Mr. Anderson stated that many projects require some environmental work, but the extent may be greater if federal money is used. If a project uses local or sales tax, a lower level of environmental assessment usually is adequate. Mayor Thomas stated that the Council on Environmental Quality has raised the issue of cumulative impact and alternative alignment considerations. He indicated that he thought the EIS process will overlap in most everything we do. Mr. Anderson replied that this is especially true with new roadway segments. Mr. Anderson remarked that there are many projects, such as widening or intersection projects, that usually do not have to go through a full EIS process.

Mayor Hawker expressed that he supported the ALCP policies and procedures, but had concerns with federal funds. He stated that he wanted to make sure it was clear that the issue has not been resolved and discussion continues on an equitable solution.

Mayor Manross referenced Appendix B, which had been added later in the process. She stated that she supported the ALCP policies and procedures, but felt that Appendix B was too detailed and unclear. Mayor Manross suggested that Appendix B go back to the technical staff for further review. She suggested that the language in Section 200(G) and (H) could be considered for aesthetic and non-aesthetic enhancements. Mr. Anderson noted that Mayor Manross was correct that Appendix B was not in the early drafts. He noted that it resulted from the May 13 workshop when agency staff felt it was important to include examples. Mr. Anderson stated that he appreciated the opportunity for revision.

Chair Scruggs asked if there were any further questions on the summary of changes. No further comments were noted.

Chair Scruggs noted that Section 100 had been discussed thoroughly at the May TPC meeting. She asked if there were any questions or comments on Section 200. No comments were noted.

Chair Scruggs asked if there were any questions or comments on Section 300. No comments were noted.

Chair Scruggs asked if there were any questions or comments on IV, Legal Agreements. No comments were noted.

Chair Scruggs asked if there were any questions or comments on Appendix A. No comments were noted. She commented that Appendix B would not be a part of the policies and procedures the TPC would be acting on and would be addressed later.

Mayor Hallman moved to recommend approval of the Draft Arterial Life Cycle Program Policies and Procedures, making provision to address Mayor Hawker's concerns and excluding Appendix B. Mayor Thomas seconded. Chair Scruggs asked if there was further discussion. Hearing none, the vote on the motion carried unanimously.

Chair Scruggs extended her thanks to the TPC for their hard work on this component that is so important to the implementation of the RTP.

6. Requested Change for the MAG Regional Freeway Program

Chair Scruggs recognized public comment from Mr. Crowley, who commented that the national news said that HOV lanes might not be as safe as they should be. He explained that drivers in the HOV lanes are doing 60 and the other lanes are doing 30. Drivers jump in and out of the HOV lanes, causing accidents. Mr. Crowley pointed out that rail is not going near here because he did not see bridge upgrades. He commented that rail was originally going to Metrocenter, but now it is just going to the area. Mr. Crowley stated that 23 or 27 miles of light rail will be in Phoenix and Glendale and it will need to go across bridges. Chair Scruggs thanked Mr. Crowley for his comments.

Mr. Anderson addressed the Committee on a request from the Arizona Department of Transportation for a cost increase of about \$17.6 million for the Red Mountain Freeway segment between Power Road and University Drive. Mr. Anderson noted that state statute requires that MAG approve any change in priorities, new projects, or requests that materially increase the cost of a project. He added that this project is under Proposition 300 to be completed in 2007. Mr. Anderson stated that this has been a challenging project with many engineering issues. He said that the increase is due to additional noise mitigation requirements, water runoff requirements, canal access maintenance requirements, increased noise wall and excavation quantities, and price increases in steel and concrete, the breakdown of which was included in the agenda packet. Mr. Anderson stated that ADOT provided a breakdown of the miscellaneous costs of \$3.56 million, which includes \$200,000 for channel lining. He said that the remainder is for additional pavement cost. He advised that an analysis of the cash flow forecasts for the Regional Freeway Program has found that adequate cash balances are available to accommodate this increase.

Mr. Anderson stated that this project is important to complete the Red Mountain Freeway. He said that staff and ADOT have been discussing cost increases—why they happen and how to keep them from happening again. Mr. Anderson stated that it is realistic that there will be cost increases, but staff wants to ensure that the cost estimation process is sound. He said that ADOT will be doing a presentation on the cost estimation process at a future TPC meeting. Mr. Anderson stated that ADOT has retained three management consultants who deal with highway projects in the region. He commented that he thought

the consultants were doing a good job on cost estimation, but staff wants to see if improvements could be made to the process.

Supervisor Wilson expressed concern that additional costs today could impact projects in the future. Mr. Anderson stated that staff tried to be conservative on both the cost estimation and revenue projections for the RTP. Mr. Anderson commented that he felt that additional revenue likely would be coming in over the next 20 years. In addition, \$4 billion in inflation is factored into the life cycle program over the next 20 years, so some cost increases can be accommodated. Mr. Anderson stated that with Proposition 300, cost increases were managed with the life cycle program. He stated that we want to ensure the actual cost is understood early in the process, so adjustments could be made to the overall program. Mr. Anderson stated that staff saw the preliminary cost estimates for Proposition 400 projects, the HOV on SR-51 and the 303 to I-17, and they came within our RTP estimates. Mr. Anderson indicated that right-of-way costs will always be a concern. He spoke about some of the right-of-way for Loop 303 and the South Mountain purchased through Proposition 300 that will be used on Proposition 400 projects. He advised on defining corridors quickly and acquiring right-of-way as soon as possible, for the I-10 Reliever and Williams Gateway in particular.

Mayor Thomas expressed appreciation for the detailed report on why the segment had such a high price of \$32 million per mile.

Mr. Scholl asked for clarification that the cash flow analysis was Proposition 300 only. Mr. Anderson replied that was correct—the Proposition 300 analysis was separate. Mr. Scholl asked if ADOT has indicated that the low cash balance will impact finishing the Program. Mr. Anderson replied that the Auditor General is just finishing the performance audit for Proposition 300. He said that staff was able to see an early draft of the findings. Mr. Anderson indicated it is a favorable report and should be issued in the next couple of weeks. Mr. Anderson stated that this segment is one of the last to go to bid, so projects in Proposition 300 are just about completed.

Mr. Beard stated that he would be interested in hearing the presentation on the cost estimation process. He said that typically, projects such as this have construction contingency and a program reserve. If a project is 10 to 15 percent over the total budget, it means that it is 20 to 25 percent over the construction budget. Mr. Beard stated that the TPC needs to look at contingencies and reserves. He noted that concrete and steel price increases are causing problems across the construction industry. Mr. Anderson stated that another issue is that there are not enough large contractors for jobs. He noted that the competition is key to cost effective projects. Mr. Anderson commented that staff may meet with ADOT and industry representatives on this.

Hearing no further comment, Chair Scruggs called for a motion. Mayor Hawker moved to recommend approval of the cost increase for the Red Mountain Freeway from Power Road to University Drive. Mr. Beard seconded, and the motion carried unanimously.

There being no further business, the meeting adjourned at 4:50 p.m.

Chair

Secretary